

Message Text

UNCLASSIFIED

PAGE 01 BRASIL 09508 202137Z

62

ACTION OPIC-06

INFO OCT-01 ARA-10 ISO-00 EB-07 AID-05 AGR-10 COME-00

TRSE-00 INR-07 CIAE-00 /046 W
----- 129367

R 202025Z DEC 74

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 6960

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

AMCONSUL PORTO ALEGRE

UNCLAS BRASILIA 9508

E.O. 11652: N/A

TAGS: EINV, BR

SUBJECT: AGRIBUSINESS: NORTH AMERICAN PACKING COMPANY

REF: STATE 262244

1. THIS MESSAGE INCORPORATES COMMENTS ON PROPOSED INVESTMENT BY CONSULAR POSTS SAO PAULO, RIO AND PORTO ALEGRE. BASIC APPROACH BY NORTH AMERICAN AS INDICATED REFTEL SEEMS REASONABLE, AND PROMOTION OF EXPORTS AND DEVELOPMENT OF AGRIBUSINESS ARE GOB PRIORITY AREAS FOR FOREIGN INVESTMENT. JOINT VENTURES ARE PREFERRED. PRESUMABLY, NORTH AMERICAN ALREADY HAS REACTION FROM ESTABLISHED PACKERS MENTIONED REFTEL AND IS ABLE TO ESTIMATE SPECIFIC BRAZILIAN INTEREST IN JOINT VENTURE FOR PROJECT. LOCAL CAPITAL IS GENERALLY NOT AVAILABLE TO FOREIGN FIRMS. HOWEVER, IF INVESTMENT IS JOINT VENTURE, PARTICULARLY IF MAJORITY CONTROL HELD BY BRAZILIANS, PARTIAL FINANCING FROM NATIONAL OR STATE DEVELOPMENT BANKS NIGHT BE EXPECTED. TAX AND OTHER INVESTMENT INCENTIVES WOULD BE AVAILABLE, DEPENDING ON DETAILS OF PROPOSED INVESTMENT AND LOCATION.

2. EXPORTS ARE CONTROLLED BY LICENSING THOUGH NOT CURRENTLY RESTRICTED, AND WE UNDERSTAND SUCH EXPORTS ARE EXPANDING. AVAILABILITY OF BEEF SUPPLY IS A HIGHLY COMPLEX
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRASIL 09508 202137Z

QUESTION, RELATED TO GOVERNMENT CONTROLLED PRICES PAID

TO LIVESTOCK PRODUCERS AND TO NORMAL ANNUAL REDUCTION IN SLAUGHTER (ENTRESAFRA) FROM LATE JULY TO EARLY DECEMBER. THIS YEAR, JUST OVER 45,000 TONS OF LOW QUALITY URUGUAYAN BEEF WERE IMPORTED AND ARE BEING HELD AND PROPOSED (CANNED) BY VARIOUS PACKERS IN SEVERAL STATES. BRAZIL IMPORTS MOST OF ITS TIN PLATE WHICH HAS BEEN IN RELATIVELY SHORT SUPPLY DURING PAST YEAR. WE ARE NOT IN POSITION TO COMMENT MEANINGFULLY ON POSSIBLE FUTURE AVAILABILITY.

2. CREDIT LOCAL BANKING SOURCES IN SAO PAULO FAILED TO PROVIDE INFORMATION ON DR. J. SAMUEL SZMARUK. STUART DAVIS IS A RIO RESIDENT WORKING UNDER CONTRACT ON USAID PROJECT, "FISH PROTEIN CONCENTRATE" WITH INSTITUTO DE PESQUISAS DA MARINHA. CONS. PORTO ALEGRE IS PREPARING WRDRNS ON FIRMS MENTIONED REFTEL LOCATED IN RIO GRANDE DO SUL.

4. MORE COMPLETE RESPONSE ON INFO REQUESTED BY OPIC WOULD AMOUNT TO A FEASIBILITY STUDY IN ITSELF, FOR WHICH NEITHER EMBASSY NOR CONSULAR POSTS HAVE STAFF OR RESOURCES. MUCH OF THE INFORMATION, HOWEVER, SHOULD BE AVAILABLE FROM THE OFFICE OF INTERNATIONAL MARKETING IN COMMERCE. IT MIGHT ALSO BE IN NORTH AMERICAN'S INTEREST TO REQUEST COMMERCE TO PERFORM AN INVESTMENT OPPORTUNITY JOINT VENTURE SURVEY FOR THEM. GIVEN SIZE OF PROJECT AND PAST EXPERIENCE OF OTHER US INVESTORS, A DIRECT ON-SITE SURVEY UNDER CONTRACT WITH COMPETENT AND QUALIFIED LOCAL CONSULTING MARKETING FIRM MAY BE BEST CHOICE. CONGENS SAO PAULO AND RIO CAN PROVIDE NORTH AMERICAN WITH LISTS OF SUCH FIRMS WHICH HAVE STRONG RESEARCH AND MARKETING DEPARTMENT. EARLY IN-COUNTRY PRESENCE OR VISIT BY COMPANY REPS IS ALSO ADVISABLE.
JONSON

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INVESTMENT CLIMATE, AGRIBUSINESS, FOREIGN INVESTMENTS, JOINT VENTURES
Control Number: n/a
Copy: SINGLE
Draft Date: 20 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BRASIL09508
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740371-0701
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741220/aaaaaquz.tel
Line Count: 92
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 74 STATE 262244
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 02 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 OCT 2002 by ReddocGW>; APPROVED <06 JAN 2003 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AGRIBUSINESS: NORTH AMERICAN PACKING COMPANY
TAGS: EINV, BR, OPIC, NORTH AMERICAN PACKING COMPANY
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005